CITY OF PORTLAND
BUREAU OF FIRE & POLICE
DISABILITY & RETIREMENT

BOARD MEETING

May 27, 2025

FPDR BOARD OF TRUSTEES MATERIALS
May 27, 2025
Table of Contents

(To see a specific document, click on the link below)

Note: There are no handouts for Information Items 3, 4, 5, and 6 of the agenda

City of Portland Bureau of Fire and Police Disability and Retirement
Agenda for Regular Meeting – Board of Trustees
Room 2500 A – The 1900 Building
1900 SW 4th Ave, 2nd Floor, Portland, Oregon 97201
Tuesday, May 27, 2025 – 1:00 p.m.

In accordance with Portland City Code and state law, The Fire and Police Disability and Retirement Board of Trustees will hold hybrid public meetings, which provides for both virtual and limited in-person attendance. Members of the board will elect to attend remotely by video and teleconference, or in-person. FPDR has made several avenues available for the public to listen to the audio broadcast of this meeting, including the City's e-GovPDX YouTube Channel, Channel 30, and www.portlandoregon.gov/video

ADMINISTRATION		
The following consent item(s) are considered to be routine and will be acted upon by the Board in one motion, without discussion, unless a Board member, staff member or the public requests an item be held for discussion.		
	1	Approval of Minutes – March 18, 2025 Meeting
INTRODUCTION OF VISITORS		
Public comments will be heard by electronic communication (internet connection or telephone), or in-person. If you wish to sign up for public comment by electronic communication, please register at the following link: https://us06web.zoom.us/webinar/register/WN_0Qt5C8SEQPipJ8lco7B9sw You will be asked to provide your name, phone number, email address, agenda item number(s) you wish to provide comment on and zip code. After registering, you will receive a confirmation email containing information about joining the electronic/virtual meeting. Individuals will have three minutes to provide public comment unless otherwise stated at the meeting. The deadline to sign up for the May 27, 2025 hybrid board meeting is Monday, May 26, 2025 at 3:00 p.m. Individuals can also provide written testimony to the Board by emailing the FPDR Director Sam Hutchison at sam.hutchison@portlandoregon.gov by May 23, 2025.		
IN-PERSON PUBLIC COMMENT PERIOD		
A sign-up sheet for members of the public wishing to make public comments will be available at the meeting. The public comment period will not exceed 30 minutes. Therefore, the Board may limit individual comments to three minutes per person. In addition, a sign-up sheet will be available prior to the meeting to allow public members the opportunity to sign up for an agenda item which they wish to provide comment on. When discussion on a specific agenda item is to begin, the public member will be allowed three minutes to provide comments, unless additional time is allowed by the Board.		
ACTION ITEMS		
	1	Resolution 559 – Interfund Loan ○ Issue – Each year, FPDR issues TANs or borrows money to maintain a positive cash balance between July and the receipt of November property tax revenues. ○ Expected outcome: Board authorizes Interfund loan.
	2	Resolution No. 560 – OAH Contract Extension ○ Issue: FPDR will extend the current agreement for an additional four years with a NTE amount of $1,075,000. ○ Expected Outcome: Board approves contract extension.

INFORMATION ITEMS *The following information items do not require action by the Board and are solely for informational purposes unless a Board member, staff member or the public requests an item be held for discussion.*		
	1	Discussion of OAH Claim Outcomes
	2	FPDR Summary of Expenditures
	3	Legislative Update
	4	Budget Update
	5	FPDR Updates
	6	Future Meeting Agenda Items

Copies of materials supplied to the Board before the meeting, except confidential items and those referred to Executive Session, are available for review by the public on the FPDR website at www.portlandoregon.gov/fpdr or at the FPDR offices located at: 1800 SW First Avenue, Suite 250, Portland, Oregon 97201. ***NOTE****: If you have a disability that requires any special materials services or assistance call (503) 823-6823 at least 48 hours before the meeting.*

FIRE AND POLICE DISABILITY AND RETIREMENT BOARD OF TRUSTEES MEETING	**MINUTES**

This was a virtual meeting with the option to attend remotely via a Zoom webinar platform.

Date and Time: March 18, 2025, at 1:02 p.m.; Meeting adjourned at 2:45 p.m.

Board Members Present:

Patrick Hughes (Board Chair); Tommy Stoffel, Jr. (Police Trustee); Tom Kramer (Citizen Trustee); Catherine MacLeod (Citizen Trustee); Kyle MacLowry (Fire Trustee)

Also Present:

Sam Hutchison (FPDR Director); Stacy Jones (FPDR Deputy Director/Finance Manager); Kimberly Mitchell (FPDR Claims Manager); Julie Hall (FPDR Legal Assistant); Lorne Dauenhauer (FPDR Outside Counsel); OpenSignal PDX

Motions Made and Approved:

- Motion made by Trustee Kramer that was seconded by Chair Hughes and unanimously passed (5-0) to approve the January 28, 2025 minutes.
- Motion by Trustee Kramer that was seconded by Trustee MacLeod and unanimously passed (5-0) to approve a 2% benefit adjustment on July 1, 2025 for FPDR 2 Retirees.

A text file produced through the closed captioning process for the live broadcast of this board meeting is attached and should be considered a verbatim transcript.

Fire and Police Disability and Retirement

By_________________________________

Sam Hutchison
FPDR Director

CLOSED CAPTIONING FILE

[Captioner standing by]

Director Hutchison: I see Catherine so we're ready to start whenever you are.

Chair Hughes: Okay. We can get rolling. Item number 1 would be review and approval of the January 28th, 2025 meeting minutes. So do we have any comments or fixes? I see none.

Director Hutchison: Tom has a hand up.

Chair Hughes: I see you Tom, okay.

Trustee Kramer: Patrick, I have a couple of minor things. One on page 34 and one on page 35. Near the bottom of page 34, Sam is quoted as saying the initial cost to exceed was in 2017 and I think Sam meant not-to-exceed rather than cost.

Director Hutchison: Good catch.

Trustee Kramer: And then on page 35 in the vote to approve the not-to-exceed for OAH, it records Patrick and Catherine's votes but didn't record Tommy Stoffel's and my vote and I'm pretty sure we voted to approve though I confess I don't have a specific memory of it.

Julie Hall: I think people were raising their hands to vote at that point, but we could definitely amend the minutes to show an aye.

Chair Hughes: Since we're on video I should not be saying you can aye or raise your hand. So we'll go to full verbal consent. That's a good catch, thank you, sir.

Trustee Kramer: If that's all folks have, I'd certainly move to approve the minutes as modified.

Chair Hughes: I would second that.

Director Hutchison: Catherine, you're on mute, or we can't hear you.

Chair Hughes: I don't even see her.

Trustee MacLeod: I'm not on mute but you can't hear me.

Director Hutchison: Now I can hear you. We thought you were lip syncing to something.

Chair Hughes: We have a motion. I'll second that. We'll move to a vote to approve the minutes with those corrections from Tommy and all in favor say aye.

Trustee MacLowry: Aye.

Trustee Stoffel: Aye.

Trustee Kramer: Aye.

Trustee MacLeod: Aye.

Chair Hughes: Aye. All right. Let the record show there were no raised hands, but everyone agreed verbally.

Trustee Stoffel: And the corrections were from Tom, not Tommy.

Trustee Kramer: Thank you.

Chair Hughes: I have that problem in another life where I have three different Marks on the same group and it's not pretty. You can't come up with a Marky or a Mark. Sorry, I digress. Now action item number 1 would be the annual adjustment review.

ACTION ITEM NO. 1 – ANNUAL ADJUSTMENT REVIEW

Stacy Jones: Yes, that is me, so I'll hop on and give an introduction before we turn this issue over to the board. For the record I'm Stacy Jones, FPDR Deputy Director and Finance Manager and I am here today to ask the board to consider awarding a cost-of-living adjustment (COLA) to FPDR 2 beneficiaries which is consistent with your authority in the City Charter. I'm asking the board to consider doing that effective July 1st which is consistent with what the board has done in the past, but the board can award a COLA at any time, and I'll talk about that in a minute. There is a memo from me to the board in your packet of materials for this meeting that describes the board's authority with respect to providing a cost-of-living adjustment for FPDR 2 beneficiaries and that memo also gives some additional information about considerations that the board may want to weigh in making this decision: costs, the background of this issue, history of this issue, etc. I will pull that memo up on my screen as well in case you don't have it directly in front of you, so let me do that now. Can you see that? Give me a thumbs up that they can see that on their screens just in case folks don't have it.

Before I launch into the decision-making aspect of this for the board, which is with respect to the FPDR 2 beneficiaries, let me talk about the FPDR 1 beneficiaries. Just to remind folks that members of the FPDR 1 plan are those members who were retired or on long term disability before July of 1990, or their surviving spouses, and they are covered by the FPDR 1 Plan which is different and so I want to share information about what will happen for adjustments to their benefits. If you scroll down to the very end of the memo on page 4, there is this table that talks about what happens with the FPDR 1 beneficiaries. So there's no decision for the board to make for the FPDR 1 beneficiaries, this is just informational so you know what is happening with them. FPDR 1 benefits are defined as a percentage of active duty pay as of July 1st each year. So that means every year on July 1st, they get automatically reset to be that percentage of whatever active duty pay happens to be July 1st. So FPDR 1s will automatically receive the same pay increases that Portland Police Association and Portland Fire Fighter Association members receive as part of their contracts. So both contracts are going to require a 2.4% COLA increase on July 1, 2025, and that's the inflation index, that's for the CPI, the consumer price index for the west area for wage earners. You'll hear people refer to that as the CPI-W for the west, size A cities. Not just for the whole west region but for size A cities in the west region. And then the Portland Fire Fighter Association contract has an additional 0.5% across the board wage increase not connected to inflation on top of that. So that is why you will see all our police FPDR 1 beneficiaries will get that 2.4%, whereas the fire FPDR 1s are going to end up with a 2.91%, because it’s the 2.4% times the 0.5% that they’ll be receiving. You can see that we also don't have very many FPDR 1s. There's only 230 of them between police and fire. The FPDR 1 pension benefit is smaller just by the way it's defined in the plan and on top of that, almost two-thirds of these 230 folks are surviving spouses who have a smaller benefit on top of that.

So you can see that their median benefit is less than $3,500 a month. So even on the highest end, FPDR 1 benefit increases are not going to exceed $200 a month even at the highest benefit, and the total cost of all of our FPDR 1 benefit increases this year will be about $300,000 for fiscal year 25-26. So that is just because there are so few of them and they just have a smaller benefit in general. So before I talk about the decision before the board on FPDR 2s are there any questions about FPDR 1s and what happens with them? No, all right. Okay so then going back to FPDR 2s. Let's go back up to the top of this memo. I wanted to get the FDPR 1s out of the way.

So what can you do today as a board? Well, number one, you can vote to approve a cost-of-living adjustment, a COLA, and that can be anything between 0% and 2% or any calculation method that results in a COLA between that range for all beneficiaries. So let me pause there for a second. Why 2%. Why can't you give more than 2%? I know some of you on the board are so tired of hearing me say this but for the benefit of those who are new, you cannot award more than 2% because that is the highest COLA that Oregon PERS gives any retiree, and the city charter language limits the board to the PERS COLA. The language is down here in the memo that explains why you're limited to that 2%. So, you can't give more than 2%. You can make that cost-of-living adjustment effective on July 1st as the board always has done in the past, but you don't have to do that. You can make it effective on any date that you want. So, you can approve a COLA somewhere between 0% and 2% effective on July 1st or any other date. That's one of the things the board can do. The second thing the board can do is ask me for more information about options you're interested in, if there are options you want to explore, things you want to think about, questions that you have. You can ask me for more information and I'll bring that information back to you in May. That's the main reason we start this conversation in March in case the board has questions that they want answered in May so that you still have time to make that decision before July 1st if the board wants to continue with what it has done in the past in making that that COLA effective July 1st. Or third you can decline to provide a COLA. Historically the board has always provided some kind of COLA effective July 1st, but it is within the board's authority not to do that. So those are the three options before the board today. If you scroll down and look at the second page of this memo, I've just listed some of the things that the board has considered when making this decision. Chair Hughes I see you have your hand up.

Chair Hughes: Thanks, Stacy. On the date factor to me, things make sense as July 1 being fiscal year. I guess, historically there have been July 1 effective dates on any decision. Is there any pro and con to another date that is in consideration or is it ease of financial tracking?

Stacy Jones: No, there isn't really any pro or con to any date. I imagine that at some point people established it as July 1 because that is what PERS does and there's historically been this connection to doing what PERS did. Also the FPDR 1s, their benefit goes up on July 1st because they're just connected to the active duty pay and pay increases in the city have always happened on July 1st and it's also the start of the city's fiscal year. I think those are the reasons it's historically happened on July 1st but from a financial perspective it doesn't really matter to us. I would say that retirees have become accustomed most likely to having that happen on July 1st. And for the board, because we always pay in arrears that means retirees are used to seeing an increase in their August 1st pension payment because they receive their July benefit on August 1st so that's when they're used to seeing that increase.

Chair Hughes: Thank you.

Stacy Jones: So I would say in the time I've been at FPDR, the board has generally, and of course some of our trustees that have been around for a long time can speak to this as well, but the board has generally been the most interested in four things as they talked about this decision. The first I would say is inflation in the prior year. How are increasing costs impacting members. The second issue has been cost to the fund. How would a particular cost-of-living increase impact the fund's financial position. The third issue in the past has been the tax levy cap. Recall that you cannot exceed that $2.80 per $1,000 of real market value on our dedicated property tax levy. So there's been discussion on whether giving a higher cost-of-living adjustment and increase the risk of hitting that levy cap someday. Of course, you are only talking about the cost-of-living adjustment for July 1st, 2025. This board only has the authority to give the COLA for this one time. You cannot constrain what future boards can do but it does of course elevate the cost forever because you've increased everyone's benefits, and everyone's benefits will build up from that higher level. And then the board has also discussed the connection to the PERS COLA. There's that connection in the charter language that the board cannot exceed the maximum PERS COLA that is given and then historically, I talk about this in the background part of the memo which is down here, before PERS changed its COLA methodology in, well, that process began in 2013 but settled down in 2015 following some litigation. Before that time, FPDR's COLA methodology and the PERS COLA methodology were identical. So from 1990 when the FPDR 2 plan was created until 2015, PERS and FPDR had the same COLA methodology and then after that beginning in 2015, you see deviation from between the two methodologies but still, of course, with that cap that we can't exceed the maximum Oregon PERS COLA. So I would say those are the four topics the board has hit the most on in its conversations about the COLA over the years. Let me talk about those topics just a bit.

So first let's talk about inflation. Of course, there are several ways to measure it but inflation in the west region of the country was about 2.5% in 2024. 2.5% for the CPI-U which is the consumer price index for urban people living in urban places and was about 2.4% for wage earners. So as defined by the Bureau of Labor and Statistics (BLS), 95% of our beneficiaries do live in the west region so that's a good index to use. We have 2.5% for the urban version and 2.4% for the workers version, not a big difference between those two. Last year I did mention a research index that the BLS compiled specifically for those 62 and older, the R-CPI-E. It's value for 2024 was 3.1% but that is for the whole country, not just the west region and not as a statistically robust index as I mentioned last year. That's why they only use it for research and don't publish it as one of their official inflation indices, but I'll share that if that's interesting to anyone. But the bottom line is that after really high years, really high inflation in 2021 and 22 and the highish year in 2023, inflation has returned to historically normal levels in 2024. That said 2.5% is still higher than 2%, the maximum COLA that the board can award. If we talk about costs now, if the board were to give the maximum 2% COLA the range of monthly increases would be, wait. Sorry, I'm still talking about the impacts here for FPDR retirees. I'm not talking about cost yet. Let me talk about that first and then we'll talk about costs to the fund. But thinking about impacts for retirees, they've just experienced inflation of about 2.5% or maybe as much as 3%, depending on how you look at it but still coming off of high inflation years and if the board did give the maximum 2% increase, the median monthly increase would be $134 for our FPDR 2 beneficiaries. The range on the low end would only be a $5 increase, that is probably an alternate payee who's receiving a small portion of an ex-spouse's pension, and on the high end it would be a $337 monthly increase, that's probably for a retired fire or police chief. So that's the impact that you're talking about for an individual beneficiary.

Now let's talk about cost to the fund. So if the board wanted to award the maximum 2%. So this is the most it could cost the fund, the cost of living adjustment, the most money that you could spend today would be about $3 million in 25-26 and that would be our estimated cost of giving the maximum 2% COLA to everyone for fiscal year 25-26 given everyone's benefits right now and how many people we expect to pass away or retire before June 30th. Giving the maximum 2% COLA does get a little more expensive every year because the FPDR 2 population is growing and newer retirees have higher pensions so last year the board awarded a 2% COLA to all beneficiaries and that cost about $2.9 million and this year it costs about $3 million, so you can see how it grows. So my memo also mentions the other considerations that I just mentioned, most notably that connection between the COLA and the risk of the tax levy cap and whether there should or shouldn't be a connection to the PERS COLA beyond that limitation of 2%. I do want to say that both of those topics seem to have become less important to the board over the years, in the first place because the risk of hitting the levy cap has become so small and real market value has grown in the city. And in the second place, which I'm speculating about it a bit more. It would probably be more appropriate for members of the board that have been around to speak to this. But my impression is because the board has worked through their thoughts about the post-2015 PERS COLA methodology but also partly because different trustees with different feelings on the matter have come and gone, and also because inflation has become so high in these last few years that the trustees have not been very interested in any methodology that would bring the COLA below 2%. For the last three years I would say that's been the case. And with that, I think that's really all that I have to say about the COLA. So I want to turn it over to the board for discussion, although of course I'm here to answer questions. And I'm happy to come back in May with more information and analysis that I or my staff can do for you to help you make a decision if you need it. With that I'll turn it over to you all.

Chair Hughes: Stacy that was a very good memo.

Stacy Jones: Thank you.

Chair Hughes: Any discussion from the trustees or questions additionally?

Trustee MacLeod: I will weigh in as someone who has been on the board for a while. Can you hear me okay?

Chair Hughes: We can.

Trustee MacLeod: I do think Stacy has done a nice job at summarizing kind of the primary considerations that we've had over the past 7 or 8 years and the overriding ones for me in particular have been since inflation has been high and sticky for some time that going to a 2% COLA seemed an easy and logical decision without a lot of discussion. For me another couple of points have been in the earlier years back in 2018 and 2019 when inflation was at historically low levels, and we had years under 2% where we could have considered something less. Again, I think the fact that prior to the changes in PERS in 2013, 2% was sort of the norm for all years because there could be carry forwards in low years, etc. The fact that PERS needed to make changes to improve the financial security of that program didn't seem to me to be a convincing reason to change the COLA expectations of employees and current retirees for FPDR. So they had their own issues and finances to deal with, but they are not ones that have been problematic for this plan. So I personally haven't felt that what PERS does is an overriding concern to me at all. I don't really consider that much at all. So from that perspective, I have been a supporter of the 2% COLA for the years and would probably encourage making the same recommendation for this year.

Trustee MacLowry: I would second that without going into too much detail. For the various reasons that Stacy outlined for the previous years, that were ultimately with the high years of 6.25% and 7.65% CPI-U where the retirees throughout that inflation caused their pension to sort of erode. Even in light of it only being 2.5% now, I still support the idea of supporting 2%. So I would be of the same mind set as well to support the 2%, the maximum that we're able to award this year as well. I would add to that, I'm not sure that we talked a little bit about the levy and if I'm not mistaken Stacy, you can correct me if I'm wrong on this, that the actuarial modeling uses 2% as part of the assumption and even with that assumption, there's still a very, very small percentage that we even bump up against that number, the $2.80.

Stacy Jones: That's a good point Trustee MacLowry. This levy analysis that you just saw in January is the first year I asked them to switch over to modeling 2%. Before that they had been modeling different blends because the board had done a lot of different things over the last decade. I said let's just model 2% going forward and so the analysis you saw in January that had a less than 2% probability of hitting the cap in any of the next 20 years includes a 2% COLA every year.

Trustee MacLeod: That's a good point. I was pleased they made that change as well so that's another encouraging point.

Chair Hughes: I would be agreeable to the 2%. I also tend to think that, well since I'm not retired, I'm not really great at finances yet, but I tend to think that generally going to the 2% which becomes effective in August is going to help members this year because I believe next year when we have this discussion these inflationary numbers are probably going to be significantly higher than what you saw. So putting them in play in August helps them get over that gap because next year you have the same limitation. At least if I am thinking in my head right, if they're dealing with 4% this year and if you cut their increase this year, you're adding more to a problem that they're going to have the rest of the year coming forward to this next discussion in 12 months. So 2% seems, everybody wishes it was higher, but I think that was perfectly fine and it seems we can afford it.

Trustee Kramer: Patrick, if you would entertain a motion, I would move that we award the 2% COLA to FPDR 2 members effective July 1.

Trustee MacLeod: I would second that motion.

Chair Hughes: And let's see. Julie let's make this easier because it's harder on video. Let's move for a vote and then can you just ping each member for their vote and make it clear for the record.

Julie Hall: Yes.

Trustee MacLowry: Do you want it in the chat? Is that what you're asking for.

Chair Hughes: No, for her just to ask if we can respond across.

Trustee MacLowry: Oh, got it.

Julie Hall: All right. Let's start with you Chair Hughes.

Chair Hughes: Aye.

Julie Hall: Trustee MacLowry.

Trustee MacLowry: Aye.

Julie Hall: Trustee Macleod.

Trustee Macleod: Aye.

Julie Hall: Trustee Kramer.

Trustee Kramer: Aye.

Julie Hall: Trustee Stoffel.

Trustee Stoffel: Aye.

Julie Hall: Great. Thank you.

Stacy Jones: All right. Thank you, board. It's lovely to get clear direction so early in March so we can communicate that to retirees and let our pension coordinator get going on all those calculations so thank you very much for a quick decision.

Chair Hughes: Great, thank you Stacy. Now we're moving into information items. Number 1 is OAH.

INFORMATION ITEM NO. 1 – DISCUSSION OF OAH INTERGOVERNMENTAL AGREEMENT

Director Hutchison: I wanted to review OAH (Office of Administrative Hearings). At the last meeting we increased the not-to-exceed amount for the balance of this Intergovernmental Agreement (IGA) period ending in June 30th, 2025 and one of the things we've talked about in the past with OAH and I know there's been questions although not recently but it's just something to bring up and answer now because I'm hoping that we'll be able to bring in May a resolution for either extending the IGA again or a new IGA with OAH. We're still discussing with the state what direction they want to go.

So how did we come to use OAH is the theme of my discussion here. So just a real quick recap of what our charter says. Our disability claim appeals process requires us to have one or more independent hearing officers that will do the first review in an appeal and the hearing officer will be a member of the Oregon state bar. There will also be an independent panel that will hear appeals of the independent hearing officer's decision, and those panel members are also considered independent and also must be a member of the Oregon state bar. So what are three options to provide this hearing service that members can avail themselves of that meet the criteria in the charter.

The first option is that FPDR runs the show. We take ownership of the appeals process and provide all the services. That means we would recruit and retain hearing officers and panel members. We would provide support to the panel members and hearing officers and that would include scheduling, setting up meetings, hiring court reporters, tracking decisions, paralegal support for research, and the list goes on for the support they need. Also, where do we hold meetings. Are they online or face to face? A lot of hearings are done in person where they can have in-person testimony. The pro to that is FPDR controls the process and oversight of the hearings office and the panel members, but I come away with quite a few more cons to that. It would require at least one FTE in FPDR to provide all the support and to manage all the work needed to support the hearings. Hiring and retaining officers and panel members would require constant attention. You're going to have to find four to five attorneys out there who are willing to work on this panel and keep educated and up to date. It would be a lot of work to do that. We'd have to provide a lot of education for them and make sure they will stay and attend hearings when they say they are. The challenge is that most of these attorneys will be active attorneys and have a primary day job that we take into account when scheduling any types of hearings. And who would the attorneys be? Most likely people interested in doing this would have some workers' compensation experience from the attorney side and most of them need to be working for the claimant labor side or the employer insurer side. So the challenge is, even though these may be very respectable and trustworthy people, they're going to bring somewhat of a bias into these hearings. If they've been working 20 years as a claimant or labor attorney, they're going to have a different view of how these claims should be handled and those coming in from the employer and insurer side they're going to bring their view of how it should be handled. How do you get them to be independent and push that aside and balance it. I think some can do it but they're going to feel comfortable looking at it the way they've looked at it for 20 or 30 years. That's the challenge you have. And it could be brought up by members. I don't want to be in front of a hearing officer who only has an insurer background. That would be an issue for some of our members to see these people as being independent. In addition, with FPDR owning the show here, we would be paying those attorneys directly and again, the keyword is independent. Some people are going to believe that FPDR is going to pay these attorneys and if they want to keep their job on this panel and get paid, they're going to have to give decisions that FPDR wants, which clearly wouldn't be the case but we have a perception for how our members will interpret this type of stuff. We have an independent panel and hearings officer. Can we have an independent FPDR where they aren't perceiving that we could be influencing people because we're paying them?

The second option that was looked at was to find a vendor organization that can provide this. Is there some vendor or group out there that can provide this service? This option was heavily researched in 2006 by city council and the FPDR board prior to making the big charter change and we pick this up again in 2017. We spoke with the Oregon state bar and other, legal organizations and even some law firms around and none of them could identify any firm or vendor that could offer this service in an independent fashion. Most recommended that we go to OAH and they did that in 2006 and also back in 2017. We spoke with Workers' Comp in 2006 and 2017. Oregon Workers' Compensation Division said they wouldn't provide appeal services for us because the Oregon workers' compensation system is very different from FPDR, and they could not and would not want to accommodate the differences that FPDR would bring to the system.

We did look in the city because the auditor’s office has a hearings office that handles all challenges to city administrative decisions. When somebody says you're making too much noise and they cite you for a noise violation you could go in front of the hearings office and challenge that. The hearings officer is a city employee. They hear the appeals, but their decisions are not appealable within the city. They have to go straight to civil court to appeal the hearing officer's decision and there's no appellate panel. Therefore, their model doesn't match what we need, and this hearing officer doesn't have background in disability or insurance claims or anything that would be helpful.

So those are the options that we looked at back in 2006. The city council and FPDR board, as well as FPDR, selected OAH as the provider of FPDR hearing services. OAH has resources, attorneys, and support staff, which is a big issue. They're experienced in running hearings and making legally justifiable decisions. They have individual ALJs (Administrative Law Judge) which serve as hearing officers, and they have review panels with extensive support of staff and their officers are paid by the state of Oregon. They're not paid by FPDR. They bill us and we pay the State of Oregon. So again, there's a break between the compensation and the hearing officers, the ALJs y are paid by the hour for the services they offer. There's no indication or anything about the type of decisions or who they side for or against. We did the research with the Oregon Bar Association and they found that OAH had the quality and the necessary infrastructure as well as the independence to offer an independent service. So that's how we came up to it. Anybody have any questions on that?

Trustee MacLowry: This may be not the right time, but this circles back to something that you mentioned earlier when you were going through the different options. The first one that you talked about potentially was hiring an independent group of attorneys and then it may not be the best option because the perception could be since they're being paid by FPDR that they would want to retain that work and award in FPDR's favor. With just that notion in mind do we have this answer? Could we get a sense of 2017 to present, the number of claims that OAH has made either for or against the claimants that have made appeals to the board?

Director Hutchison: We could track that information down. Julie let's put that on the list to come up so we can present to you in a future board meeting the data for that. That’s a good question, Kyle.

Trustee MacLowry: Thank you.

Director Hutchison: Any other questions? All right. So to wrap this up, we're working on a new IGA. So we have two options and we're looking for the state of Oregon to guide us in how they want to go. Procurement historically is a very slow laborious process. Do we come up with a new IGA with an effective date of 2025 or do we add an amendment number 3 and extend the IGA out to 2029 as an amendment of the existing one that started in 2017? So those are the two options we have on the table. We're trying to get some feedback from the state of Oregon of which one will work through their procurement system the fastest and most effectively. I would prefer a new contract but I have a feeling the state of Oregon is going to want to draft that contract, the IGA, and I think that's going to take months to do it and if we do an amendment it should move faster and if everyone agrees to the conditions in it that's fine, we can have an amendment if we need to modify a couple of conditions. So we'll work on that. We're waiting to hear back from the state of Oregon on their preferred process and fastest process.

Trustee MacLowry: Both options would achieve the same goal?

Director Hutchison: Yes, it would. Interestingly though, the not-to-exceed amount is now up to $625,000. If we move it in, we'll have a not-to-exceed amount of a $1 million which raises a lot of bells and whistles here within the city but fortunately the IGAs are outside the realm of procurement. I would be working directly with the mayor and our city administrator to resolve any issues with that and stress to them that we're only looking for a certain increase in the not-to-exceed amount. We are beginning the negotiations and trying to find out if they want a new one or to amend the existing one. Normally we estimate the not-to-exceed amount based on past experience which would be four years and what would we expect it to be going forward. There's probably a good chance it will exceed $400,000. We'll take a look at what we're billing, and it could be higher but that's one thing we'll be crunching through the numbers here shortly. We normally use our estimate and it can include that in there. So it can be up to $600,000 extra. I think that's rather high, but I don't want to downgrade the amount without doing our research on that yet. So Kyle, you and I discussed something and you had an idea. Do you want to share that with the board regarding the not-to-exceed amount?

Trustee MacLowry: Well, you can refresh my memory, it was a bit ago when we were talking originally. I missed the last meeting, but I was a little bit unclear of whether we were doing a new IGA at that point, voting on a new IGA or just voting to amend the current one. And it didn't make sense to me to go up to the higher amount, the $900,000 or $950,000, I can't remember the exact number, if there's the ability for the FPDR staff to just come to the board to change the amount should the need arise. I believe you used the word blips. It was an unusual year last year. So it seemed like the amount was appropriate but there's just this unusual situation. I believe the blips were related to, I can't remember the disability term. Help me out Sam.

Director Hutchison: Presumptive claims. We had quite a few presumptive claims for PTSD.

Trustee MacLowry: Thank you, yes. So is that what you're referring to.

Director Hutchison: Well you had mentioned if I remember correctly when you were talking, we could use a certain amount up front, maybe not as high as our past experience would show us, and then as we approach that amount we can come back to the board to amend the IGA again just to add a not-to-exceed amount to that contract as we move through the next four years.

Trustee MacLowry: It seems reasonable, but we can certainly discuss it.

Director Hutchison: Because again I don't have an estimate of the numbers, I'm going to say it's probably going to be minimum of about $500,000 for four years. I can assume the higher rates just to be safer and you'll see the number is less where I'd like to go higher, but you maybe suggested the board just approved up to $400,000 and as we begin to press on that $400,000, we come back to the board to extend that not-to-exceed.

Trustee MacLowry: Because as I recall you talking about it, the original one was 2017 and you came back in 2021 and just renewed it, and it wasn't until 2024 that you needed to come back to the board to increase that.

Director Hutchison: Right, but the renewal in 2021 was basically just a new not-to-exceed added to the original not-to-exceed amount. And obviously we didn't add enough so we had to come back in and increase that again. We did not renew the IGA this time, we just needed more money to run the IGA out to its date of June 30, 2025. If we go the amendment route we will extend it out to four years assuming state of Oregon agrees to that, so to June 30, 2029, and we'll again increase the not-to-exceed amount. We can take our high estimate or when you're in discussion, we suggest we run into $400,000 monitor it and then come back if we need to raise it to do so. Either one could work. I will give you a heads up though, if we come back and have to do that to get approved by the state of Oregon again and you always run the risk the state of Oregon could make a decision to not renew it and that would put us in a bind. I don't think that they would do that but that's a risk that you would have.

Trustee MacLowry: I'd have to defer somebody else's expertise in that area.

Chair Hughes: I would have a comment on that topic. Option number one, do you create a new contract or do you create an amendment. It's much easier and more protective and in this scenario it's more advantageous for us to do an amendment which is not opening up all facets of the IGA to say we're going to continue with what we know. We already know it. It's always been my experience that the less eyes you have on that contract, if you were happy with it, you amend it and move forward. Which goes into the second topic, if you amend it and put in a lower amount and hope you extend it, you would have to go back to the state and their contracting officers who might all be new people at that point who will then turn around and say we need to change these things which are more in our favor because these contracts are written on what we would call their paper. We're not proposing the language in these contracts. So it's better to buy the future as far as you can to do the least amount of transitions and writing to it would be my typical advice when I see these things if that helps at all.

Director Hutchison: I'm not looking for an answer here. If we go with Patrick's reasoning, we'd choose to do an amendment. We'd call it amendment number 3 and extend it out four years and we'd have to select a value so that's the next question. Do we target $400,000 or do we go with our estimate based on the analysis and do an estimate that we think will carry us through the next four years.

Chair Hughes: If you had an estimate of the last two or three years and took that number and planned for the possibility of one bad year, not a full bad year but some, that would seem to be a reasonable way to come up with your number.

Director Hutchison: Okay.

Chair Hughes: I'm not too sure if the presumptive claims are going to decrease in number. It feels like we're going to see more of them.

Director Hutchison: Well, you'll see a little bit of that here with Kim's presentation later in the meeting. I don't want to take anything away from Kim. They may be stabilizing as far as we're going. Kyle and I had discussed too that we're getting more set in what constitutes a presumptive claim so we may be having less disagreements on how to interpret the presumption and how to manage it correctly.

Trustee MacLowry: That was the point I was going to make. It's going to establish best practices for claims.

Chair Hughes: Yeah.

Director Hutchison: So what we'll do, because I was leaning that way too unless anybody disagrees with it, is Patrick's recommendation. We'll look for the four-year extension as an amendment. It'll be amendment #3 to the 2017 IGA and we'll work from there and try to come up with a good estimate. I'm going to have to make a decision on what direction we go before we come back in May because I'm hoping that I have enough of the outline of what the IGA will look like including the financial amount so I'm probably going to lean the same direction in what Patrick has recommended. Take our best estimate and take into account what is high assuming that we have hit a little bit of a blip and take that out because I think it's safe not to go back to the state during this next four years. I think there's going to be so much turmoil over the next few years because of what's coming out of Washington DC that we may not get the attention, or we may get caught in some unintended crossfire of people trying to deal with that stuff. So if there are any recommendations let me know and then we'll come back with a resolution in May. Hopefully we'll get the state to give us a tentative agreement on what they want to do and will do and then you'll give me permission to continue the negotiations and finalize the IGA. It will have to be approved by both the city administrator and the mayor because the mayor decided he wants to approve all IGAs regardless of the size and what they're there for which is fine. That's his choice. It's a little bit different on contracts. The contracts, they push a lot of higher dollar contracts to lower people to approve but IGA is the opposite thing and has moved into the mayor's office. That's just something for me to do.

Trustee MacLowry: My only request is, whatever decision you make, if you could send it out in the board materials ahead of time so I can have a chance to look it over prior to the meeting.

Director Hutchison: Yes, we definitely will.

Chair Hughes: Any other comments? Thank you, Sam. I guess we'll move on to summary of expenditures

INFORMATION ITEM 2 – SUMMARY OF EXPENDITURES

Stacy Jones: I'll just share my screen really quick and please let me know if you have any questions. There's one thing that I really did want to go ahead and point out today. Can you see my screen?

Chair Hughes: We can see it Stacy.

Stacy Jones: The one thing that I really did want to share was that we did pay back our interfund loan. Trustee Stoffel wasn't here when you all authorized the interfund loan in May of last year. Normally we issue tax anticipation notes (TANS) and this year we decided to try an interfund loan because the municipal bond market was not looking very advantageous for us this year. So we borrowed some money from the Parks Bureau. We borrowed $45 million, and we paid that back in January and you can see in the debt retirement line, which is the third line from the bottom, that we had interest of about $532,000 which is significantly less than we even estimated. We estimated interest of about $618,000 last May and we wound up paying $532,000. So we saved even more money than we expected. We expected the net cost of the interfund loan to be $440,000 because we did earn some interest on the proceeds as we sat on them. Not as much as we would have on TANs because we didn't borrow all of the money at once, so in reality that cost is about $375,000 on that loan. So again, overall it turned out to be cheaper than we estimated that it would be to go ahead and borrow that money from the park's bureau so we're even more glad that we did it. And then, just now, I'm in the process of talking with the city's debt manager about what would be most advantageous next year, and whether we want to go back to issuing tax anticipation notes because that has always been the most advantageous approach in the past or whether we need to stick with this interfund loan approach which depends on how the market looks. So you'll hear more about that at the May board meeting. So I wanted to point that out to folks. I mean, there's a variety of other interesting things going on but that was the main thing. But do trustees have questions about the report?

Trustee MacLeod: I do have a couple of questions.

Stacy Jones: Of course.

Trustee MacLeod: Real quickly, the FDPR 3 pension contributions are really small. Do we wait for them to invoice you and they haven't done that yet? Is that what is going on?

Stacy Jones: Yes, that's partly what's going on. I actually got a question about this from the city economist too, last week or the week before. Yes, that is the process. The process is that the police and fire bureau, actually the community safety division, handles a bunch of the back house functions for the police and fire bureau, bills us quarterly and they have done that and we approved the invoice on January 8th for the second quarter billings, and then they just didn't enter it in SAP, which is the city's enterprise system where the charges actually happen, and we don't know why. So when the city economist said, where is my cash, because he's the one that manages the general fund, we said I don't know where your cash is. We authorized it to go out the door and it hasn't gone out the door. So we just messaged the community safety division and asked if there is a reason they're not pulling the money out of our funds. They're the ones who have to do it. I'm not quite sure what happened.

Trustee MacLeod: The only reason I ask is because it strikes me that if money isn't getting to them, you're not earning any interest on it and PERS is probably going to turn around and give you an interest penalty and you'll end up hurt on both ends.

Stacy Jones: Well, actually we are advantaged in this situation because the PERS contributions go to PERS automatically as part of the city's payroll process. So the general fund is sending this money straight out the door every two weeks and then waiting for us to reimburse them.

Trustee MacLeod: Then whenever I see those zeros, I'll be very happy. Because PERS is getting its money on time so there's no penalty assessed and we're keeping the money longer so that's somebody else's problem then.

Stacy Jones: Yes, we're keeping the money longer so from that perspective as this fund's financial manager I think great, I'm sitting on $15 million and we're earning interest on it. From the perspective of the city as a whole I think the money is intended to be used for this other purpose and if I were managing the general fund, I would not be happy about this. So again, I think they need to resolve this process. So it's not our financial problem but we're all on the same team and so, we always get it straight over to them. I know they have a lot of fish to fry, especially with this budget process that they're going through right now, and that's the same group of people. Trustee Kramer actually had the same question. I just popped into my email and saw that Trustee Kramer had emailed me the same exact question.

Trustee MacLeod: My only other comment. I see that disability and death benefit payments for the years are proportionally, significantly lower so I'll be interested in any comments Kim has to say about that later. The other thing is about readability. I really like the boxes at the top. It makes it a lot easier to figure out what should I be looking at right away. If the proportion of year to date and the amount spent is dramatically off then it's something that's worth looking down further to see what's going on and if they're right on schedule, like the FPDR 1 or 2 pension benefits are pretty much prorate which you would expect them to be. It makes it a lot easier to know what think about and what not to worry about so thanks for that.

Stacy Jones: Thank you for that feedback. We added that a few years ago thinking this is better than making folks dig through and then looking at all these individual lines and trying to make categories that makes sense to you as the board rather than categories that makes sense in the accounting system. So thank you for the feedback. If anybody has any feedback on how to make this more useful to you all, please let us know. And on the disability side, I did sort of make some notes on that, but I just thought I'd rather talk about the interfund loan and not make you listen that for so long. This report will only go through January because when we had to send this out to you February hadn't closed yet and a whole bunch of stuff happens in the settlement process so we didn't include February, but at the end of January we're about 58% of the way through the year and we've only spent about 38% of the disability budget. So that is very low. That said, I will say that this is a really volatile budget. And that level of spending, it's really, really low but it's not completely crazy compared to a pre-pandemic year. I wrote down that fiscal year 18-19 was the last year that we had disability spending that low at this point in the year. But of course when we consider inflation since fiscal year 18-19, spending that low is definitely outside of the norm but it's not as insane as it seems when you look at it just over the last five or six years. It's historically really low. It's not completely nuts. And this budget, it just does that. This disability budget, it's almost funny when my analysts are making the budget. They do the most elaborate methodologies that takes them all day. And I think you may as well just throw a pin at the wall because it's so volatile, except for one component which is long-term disability which is not very volatile, but the rest of it is very volatile. Kim will probably have more specific things to say about that. But medical costs are way down, short-term disability costs are way down and that's what's happening.

Kim Mitchell: Yes, and part of that is our claim count is still low. I've been tracking it compared to last year when I reported during the state of FPDR claim numbers were pretty low. We're still on track with the lower end of numbers this time to date compared to last fiscal year. So will we get a blip in claims filed over the rest of this fiscal year? I don't know but we're still on the lower end than what we had in the past which effects everything, our disability and claims cost.

Stacy Jones: And for us internally, the conversation has been more about is this just normal volatility or is this a new trend? And for now, at least from a financial perspective, we've decided this is just normal volatility until we get some more time. We've budgeted for kind of historically normal levels next year. And it hasn't been low long enough to make us decide that we're willing to drop the budget significantly because this may just be one of those weird looks or it could be the emergence of a trend. We need a little bit more time. Are there any other questions about the expenditure report? Yes, Trustee Kramer.

Trustee Kramer: I had a couple of questions for you on the revenue side. They may relate to what you explained to us about the debt retirement. The first was around a $900,000 negative revenue point in July. Would you tell us about that.

Stacy Jones: That is an accounting accrual. So I'm sorry that accounting standards do this to people. So what happens here is that we expected to receive around $1.5 million of property taxes in the current fiscal year, in 24-25, that were actually levied in fiscal year 23-24. And when that happens, governmental accounting standards make us book a negative account revenue entry in the current fiscal year for accruing that revenue back to the prior fiscal year. And that happens on July 1st, the whole thing, even though the revenue comes in over several months. So on July 1st we start out with a negative $1.5 million on July 1st in property tax revenue. It's just governmental accounting standards. It's just an accrual. And then because in July, we only got $600,000 of actual property tax revenue we wound up closing July with negative $900,000 in property tax revenue which looks ridiculous to a normal person. How can you have negative $900,000 in property tax revenue? You can't but this is a financial statement and that's how it works with an accounting accrual. You'll see this in every fund in the city in various revenue sources. It's an accrual issue. In fact, you see it down here too on the expense side on the opposite direction with negative expenses in July. Those are all accounting accruals. Does that make sense?

Trustee Kramer: Yes, thanks.

Stacy Jones: As much sense as folks care for it to make. Yeah, you'll see that in every fund in the city if you just look at July.

Trustee Kramer: The other question, also in the revenue side, may have been part of your explanation of the debt retirement. The bond and note proceeds came in sort of at odd times. Would you go back through that for us?

Stacy Jones: Sure. So this was one of the advantages of using an interfund loan instead of tax anticipation notes. So we drew down that loan when we needed it instead of just taking the whole thing out. I guess whether or not that's an advantage depends on whether or not we are benefiting from having positive arbitrage but with tax anticipation notes when we go out and borrow that money from the municipal bond market, we get all of it at once. If we had borrowed this $45 million, it's sort of like getting a cash out home mortgage or something. You get all the money at once but doing that as opposed to a home equity line of credit where you can draw it out as you need it. So we can draw the money out as we needed it. So our analyst said we only need $5 million right now so we took $5 million in July. Next up we said we'd better take $15 million in August. This is when we're getting nervous about money and we're like okay, we're good. Some of this relates to the timing of pension payments as well. You can see we didn't have a pension payment on September 1st so we could wait until October and then take $15 million out in October, and we were able to time our cash flow borrowing more precisely with an interfund loan and we did that because we knew we were going to lose money. We knew there was going to be a cost so we didn't want to borrow the money until we had to. In the past with TANs we always made money, at least until last year, and so it didn't bother us that we got all the money up front. We were making money from sitting on that balance. Not the case with this interfund loan. So we didn't want to sit on the money any longer than we had to. So that's why we timed it to borrow it like that. Does that make sense.

Trustee Kramer: Yes, thanks.

Stacy Jones: Any other questions about the expenditure report? A lot of good questions. So it's great to have you asking questions. If questions occur to you afterwards, just send me a message and let me know.

Chair Hughes: Great, thanks Stacy. I too love the top of the charts.

Stacy Jones: Good, I'm glad it's a hit. I don't make it myself I must say. Svetlana, our financial analyst 2 makes this beautiful chart. All credit goes to her for making this.

Chair Hughes: Okay, great. Wow, the most exciting information item will be legislative updates from what I've heard. I think that's back to Sam who is on mute.

INFORMATION ITEM NO. 3 – LEGISLATIVE UPDATE

Director Hutchison: Okay. The Oregon legislative session, this is their long session, began on January 21st and will end on June 29th. Over 3,300 bills have been introduced. The City of Portland's Government Relations Office and I, we filter every bill. We have ways to go through the bills to figure out which ones pop up on the list I want to look further into. So I went through all of that and at this point, we break the bills into different three lists. The first is my watch lists, these are bills that will have an impact on FPDR one way or another and we have ten bills that are on that list. Five of them are PERS. The reason why they're on here is they're looking to make changes to PERS to increase benefits to OPSRP (Oregon Public Service Retirement Plan) members and by increasing benefits you're going to increase our premium to them. If all went through our premiums could go up 17%, so that's quite a substantial amount. We keep a watch on all of those bills. These won't be resolved until probably late May. We just sit and wait because these all go to the ways and means committee which is there a way and means to pay for these bills and they'll sit there.

We have three workers compensation bills that we're looking at. One of them is to make chiropractors an attending physician. That's been introduced every legislative session the past four years and goes nowhere. So far, I don't know yet because we're not far enough into the session to figure out where it's going to go. Another one was State Accident Insurance Fund (SAIF) that insures probably about 60% of all employees for workers compensation in the state. They want to get authority from the legislature to create their own managed care organization (MCO). In the past, we talked about how we use managed care organizations in the FPDR. I had a concern with this bill because if SAIF builds their own MCO, that MCO will take over 60% of the business of the MCOs in the state and the three MCOs that we use, I was afraid they wouldn't see enough money to stay in the business and one of them may, and hopefully not two of them, would leave the business and we would just be ham strung with no alternatives. So I worked with SAIF to have them amend the bill to allow them to contract with FPDR. We use a little bit different terminology but basically, we can enter into a contract with them to use their MCO services. We wanted to keep that as an option here. So if our MCOs left we can at least get somebody else in that.

There are some bills on public records. I don't think they're going to go anywhere. One is we'd have to record the immigration status of all of our members and survivors. Another on is we'd have to eliminate some information we obtain on our members. We don't obtain it, but it could be that if we receive claim information, it may contain some of that information so we'd have to figure out how to redact it or extract it from our files. I don't think either of those will go anywhere but you have to watch it and see it if it happens, it happens sometimes in a one-day stretch.

There are 11 studies, and a study is something like PERS will study age limits for OPSRP benefits or workers' compensation division will do a study on Oregon workers' comp. It's as simple as what those say and basically, those are place holders for somebody to come in and do what we call a gut and stuff. They gut that bill and they stuff in something new. We had that happen on so far one of them and that was a PERS bill of where they're trying to lower their early retirement age and that was just study age. That's why you keep a look on the studies because somebody can do one at the last minute and it can be a very substantial change to the bill. Part of the study too, everybody studies property taxes. I keep an eye on that because if somebody finally decides they're going to study the property tax to figure out how to change measure 5 and measure 50, we could be in a world of hurt at FPDR because they could take away our right to have our own tax levy. I always watch those like a hawk. None of them are going anywhere this year. It makes me nervous when I have 9 different study bills on property taxes introduced so I keep my fingers crossed that they don't go anywhere. Then there's also 13 other bills I look at. A lot of them are workers' comp. They don't impact us at all but we like to follow to see what's happening in workers' comp and what the trends are. We get to feel sorry for the risk team that handles city workers' comp as they get some of these changes hoisted on them and how they manage their claims. The next big date is March 21st. That will tell us a lot of how many of these bills are going to proceed. By that time every bill has to be scheduled for a work session and a work session has to happen before it goes to a vote. There are some bills that can bypass that rule but most of the bills I have on my list, if they aren't scheduled for a work session by March 21st, they are essentially dead. So that will be the biggest date that I'm looking for. I'll be testifying in front of the management labor advisory committee which is the committee that gets all workers compensation bills, reviews them, makes a recommendation to the legislature on what their opinion is, and I'll be doing that on the amendment for SAIF to justify why we want that put in there. Any questions on that?

Trustee MacLeod: With regard to the SAIF proposal to establish their own MCO, is this because they just feel that they can do it more cost effectively in house than by contracting with independent MCOs.

Director Hutchison: I think the loss of MHN (Managed Healthcare Northwest) that we experienced has made people nervous about what's coming because MHN was part of the Legacy system. It was part of their cost cutting. So we have Providence and Providence is going through a lot of stuff right now. They've outsourced their lab work. They've outsourced their home health work. Their physical therapy is reduced. You begin to wonder are they going to put this fine tuning into that and could possibly jettison their MCO. I have not heard anything but with Legacy making that choice, it makes me nervous with all the stuff that Providence is going through. So SAIF wants to ensure that they have an MCO because of the sheer volume of MCO services they consume. I will think that will are some push backs on it because should an insurance company, which SAIF is, also have a health care company under the same umbrella? There may be some people pushing back on that. I don't think they'll have a public hearing probably until another week or two and then we'll begin to see who is testifying against it and what will be the challenges for them but if it does go through, I want to make sure that I can contract with them so we don't get caught without an MCO. So at the May board meeting I'll give another update and I'll have a lot more certainty as to which bills are out there and may impact us.

Chair Hughes: Thank you, Sam. And number 4 would be FPDR updates.

INFORMATION ITEM NO. 4 – FPDR UPDATES

Director Hutchison: Yes, I'm going to kick the first topic over to Kim on the PTSD presumption study that you were emailed about last week.

Kim Mitchell: Thank you, Sam. Kim Mitchell, FPDR Disability Claims Manager. Julie, can you put that up on the screen so we can look at that while we're talking? I'm sure some of you had the chance to review it in advance of the meeting and so I'll just go over the report and if you have any questions as we run through this please let me know.

So first is the reason we created the report. Chelsea Bradley, the Risk and Policy Manager for the Oregon State Police, is conducting research and she's reached out to entities across the state to study the impact of Senate Bill 507 on Oregon law enforcement agencies and she asked that we provide information about the claims filed in the 5 years preceding and the five years after the September 29th, 2019 state rule imposing the PTSD, post-traumatic stress disorder and acute stress disorder (ASD) presumption. So, she reached out to us to participate in the training and asked that we provide very specific information because agencies across the board will be doing an apples-to-apples comparison on the categories that we have here. And so I'm going to run through the data and while we're talking about the data, sometimes data is just numbers, but I don't want to minimize the experiences of these members that have filed these claims. These members have had some horrific experiences. Many times, these types of claims are career enders for the members who filed them. They're some of the most difficult if not the most difficult claims we administer because these injuries are not visible. This isn't a broken leg or a herniated disc or something that you can see on imaging, so they make them very difficult to manage.

So the report and impact of the new law, how many claims have we processed for mental claims prior to and after the presumption. I will backtrack a little bit and just say that because they were looking at very specific data, I didn't include information on claims that had been filed and withdrawn as I've shared with you before and during the State of FPDR. Sometimes members will file a claim and maybe they've gotten information from their own provider to say that's not work related and they voluntarily withdraw it. So I didn't include that information. Or the claims that they filed they may have sent us a disability in the line of duty (DILD) report, but they didn't complete the application meaning they didn't go seek treatment. That's not included in this report. These are claims that we reviewed and decided.

So in the five years preceding, very telling, we have two claims. And these are police only on decided on mental health claims and this was before the presumption. Before the presumption we did evaluate PTSD as a diagnosis, but it was evaluated under section 5-306 of our charter which carries a different burden of proof that the members have to have for us to analyze the claim under. So just a stark difference when we look at the claims filed in the five years preceding the presumption and after. So that's the first thing. In terms of duration of disability, not much change. If we look at the disability payments and the claim preceding the one that was approved and the claim preceding high disability pay out compared to when we look at it in context of the subsequent five-year higher claim payout. And while we're going at that I'll just explain the columns. The date of injury (DOI) is the date of injury the member has put on a DILD report. The date of knowledge is the date we receive the claim. So often times in these types of claims, their exposures have occurred over time earlier than the date they actually get to the point where they need that treatment. The occurrence decision is whether we approved or denied it and that's listed there. And then we have the disability payments, and these can be biweekly and/or monthly. A few of these transitioned to monthly because they couldn't return to police employment. The medical payments, which I'll talk about later, are for the treatment. AP (Accounts Payable) payments include Office of Administrative Hearing cost per hearings and independent medical examines is what you will see in that category and sometimes other odd payments we might need to help with records requests or something like that. Those wage subsidy columns are for members who have been expected to and returned to work so the Police Bureau has been offered transitional duty while recovering from PTSD or ASD or whatever that condition is, and then we have the total expense.

So aside from the volume of claims under this category, the first thing that I want to talk about is the medical cost. The medical cost for these types of claims are substantially lower. Not zero and I'll explain that, but substantially lower than you would see on a serious physical injury claim. They're not having surgeries and multiple diagnostic imaging and work hardening and some of the things that really create the higher cost for medical treatment. In these cases, they're often seen by an attending physician who refers them to a counselor. So the attending physician is monitoring and a counselor is providing a number of sessions and those sessions of treatment are really dependent on the member's response to that during the session. So if a session is particularly hard for a member, for instance, if they're prescribed maybe 5 initial visits of a psychotherapy type treatment and the first visit is traumatic, they may not do another visit for a month or two just to give them time to decompress and get back into the treatment that's proposed. So it's not an apples-to-apples comparison, these mental health claims, compared to the physical injury claims. That said there is medical costs and some of these show zero medical costs, which is insane, but these are cases where we have tried to get these providers to bill us. Bill us for your services. You're seeing these members, you're completing the work status reports authorizing their time off work, you're doing a counseling, bill us. I have yet to understand why some of them won't after repeated attempt. So what we are doing in these instances that is similar to what we've had to do occasionally on the injury side, not as frequently, is that we're going to Moda Health and saying, we have a claim. These folks are not billing us and Moda Health will say we'll make sure they don't get paid and then they'll kind of force it in a back hand way. So they do treat, we just have to fight for billing in these cases. Some of that we have seen in a few cases stems also from the fact that maybe they've had healthcare before and they've gotten in the habit of billing private health and so the continuation, they don't know where to make that split sometimes, and the communication between the provider and the billing. There's a lot of factors that contribute to that, but they're not no medical cost claims.

The disability costs are higher. Our member are high wage earners, and the benefit is 75% and over time they get an increase due to COLA if they're still on disability or pay increases. So there is that. There are no standard protocols for the duration of disability. It is very individually driven in terms of what is needed in time loss the ability to promote recovery. As I said earlier, often these types of claims are career enders. These members are not able to get back to police employment, so they transition to the monthly disability benefit. They're classified as SGA (substantial gainful activity) which is our equivalent of vocational which we have an analysis done to determine if our members can pursue earnings at a third of base pay at injury. And if they can do other work earning that third other base pay, they're classified as SGA and their benefit is reduced to 50%. They're paid out monthly and we resume the claim from there. They have to go out and seek employment. So a lot of these claims can be career enders for them and we would continue the disability benefit. Again, no standard timeline for recovery. We don't settle out these claims to reduce costs. So if these members have a claim and they require disability and treatment, we pay it. So those are some of the reasons we have high disability costs. As I shared, we have the AP payment. Some of that is the OAH and it got bunched in there together. If I separate out denied claims some of the AP payment costs would stand out a little bit more if I separated that way. I'm sorry I didn't do that. IME (Independent Medical Exams) costs are high for these types of claims ranging from $6,000, which would be low, and on up. We need these independent medical examinations for several reasons but one is because we have causation standards under both the FPDR charter and now the state statute. Both of them require that we verify that they do have the diagnosis that they've claimed or the mental health condition that they've claimed, and the independent medical examinations help us to do that. In addition to verifying the condition, they really provide us our first comprehensive understanding of the members condition, the course of care that they need for recovery, and whether or not they will return to work. They help us approach providers with treatment options. Sometimes our members are undergoing EMDR (Eye Movement Desensitization and Reprocessing) and after they've done that course of EMDR it doesn't work, and we have to look at what else can we do to hopefully promote that recovery, and they also help us to know if and when the need for ongoing treatment is no longer our responsibility. In some cases, members have had prior instances or a need for mental health and sometimes we have to sort that out.

So this report is telling. As I said, these are difficult claims. They're certainly difficult for our membership and they're difficult to manage on the claims end and what is always important to us is that we make the right decision. FPDR does not look to deny claims. In the instances where the claims are denied, they did not meet the criteria. Some of them have had prior mental health issues that are more of the cause of their need for treatment that their work and we work to sort that out. We look to make the right decision and promote the recovery. We were talking earlier about trends. This is over a five-year period so we're not talking about a substantial number in terms of claims, but I would dare say ours may be higher than most entities throughout Oregon because a lot of these claims were generated because of the protests which were concentrated in the City of Portland. We also have claims that in terms of what has driven these types of claims, officer involved shootings and officers getting shot at and then just a variety of experiences over the course of your careers.

We do have success stories as we have seen here. There are some wage subsidy dollars that we pay. They do return to work. We've have nine members over this past 5 years that did return to work. A couple of the members retired. Some of them have gone on to not be able to return to work and are SGA and are on that side of the disability benefit plan and quite a few are still to be determined. We are still working to see if they will be able to return to police work. Is there anything I can answer for you?

Trustee MacLeod: I have no questions but it's interesting to see the statistics. Relatively speaking, one of two denials in the prior five-year period and a lower percentage of denials here but that's a substantial number of claims. I was interested to hear your comment that some physicians or medical providers are likely diverting their expenses through the regular health care plan. I've seen that happen myself in other cases and I'm not surprised. It leaves me with some concern that it makes it still difficult to project going forward whether or not as you were suggesting this level of claims might be starting to plateau. In Portland's case the protests and things downtown, that was a very significant period of time and as we look down these dates, there's many fewer in the last few years where the incident occurred more recently, but it will be interesting to keep a look at. Some of these things have a word-of-mouth effect whereas more claims are processed and approved under this presumption standard, the word gets out and others may do that who are currently now just seeking treatment through their regular health care plan. So it will be interesting to see if the claims do go up or the incidents does go up or it was cyclical in the past few years.

Kim Mitchell: Thank you for that. We were anticipating that there might be protests related to the election. So any time we have a societal issue that drives protests, we'll see claims and we can't predict that.

Trustee MacLeod: That was very interesting, thank you.

Trustee MacLowry: I have one observation and a question. The fairly wide variety of time frames between injury date and knowledge date both for approvals and denials. Is there any correlation between a longer period of time and the denial or approval? For this type of an injury, it can take a while like you said. Mostly within a year or less but a couple go beyond that. Is there any correlation between something that goes several years and moving toward a denial?

Kim Mitchell: I can't say that I can think of a correlation off the top of my head, Kyle. I can look at that. I think what we've seen in the claims that we have approved that we also have some that have waited a while, I shouldn't say waited to file. Once the members know that this is likely work related, they're filing claims. But in terms of the correlation between that timeline and denied claims, I don't know. I think we've approved some with that length of time. So I would have to look at that I guess I would say.

Trustee MacLowry: I guess the subtext to the question; does it behoove members to be timelier with this type of claim? Obviously, there's a time frame for an injury. This is a different type of a claim.

Kim Mitchell: It's a different type of claim, and Kyle, a different timeline because under the presumption, they are allowed to file within one year of the date they discovered or should have discovered that this injury or illness exists. So unlike FPDR Administrative Rule 5-306 where we have that 30-day timeline, for this one they have up to a year from the date they discover it so someone who has dealt with maybe other mental health issues and has discovered over time or much later even in their treatment that this is work related upon that time they still have time to file that claim. So it makes a difference. Of course, we will always encourage our members to file as soon as they that a claim is service connected.

Trustee MacLowry: Thank you.

Kim Mitchell: So, we'll continue to look at these claims. I participate in lots of meetings with other jurisdictions and insureds and with the claims associations and we do lots of training on the types of therapies available to our members and providers who do them well. So we're constantly looking at what we can do to help at all with these types of claims because we do take them very seriously of course and we don't want them to be career enders for our members. Any other questions on this?

Chair Hughes: It appears no. Kimberly, thank you very much.

Kim Mitchell: You're welcome, thank you.

Chair Hughes: And we're to number 5, future meeting agenda items.

<u>INFORMATION ITEM NO. 5 - FUTURE MEETING AGENDA ITEMS</u>

Director Hutchison: Sorry, I had to be the one to share because Julie's computer went down on her. Her screen stopped. Pardon for the sharing, I think I was out of sync with what Kim was talking about. Okay, just future updates again. Thank you, Kim. Very informative. If you have more questions, feel free to contact Kim and we can see if we can get you some more answers on that.

Real quick on FPDR updates, labor negotiations. I painted a picture in the past of who in our bureau are members of the AFSCME and CPPW unions. Fortunately, since we last talked, the city averted a strike with the AFSCME employees which was good. It came down to probably within a few days of a supposed strike and so Kim, Stacy, and I were working hard to figure out how to cover all of that. So we have a good plan in place. The CPPW employees which include all of our claim analysts and financial analysts, they're still negotiating. We're hearing at this point good news, and it looks like it's going well. So we’re still several weeks away and there could be a strike, so we’ll keep an eye on that. This would be a little tougher for us to cover than for AFSCME and so we're keeping a close eye on those negotiations. Kim is working on a continuity plan for that should there be a strike, so that's the last update I have.

The last thing is the future meeting agenda. Our next meeting will be in the 1900 building at room 2500. We'll be back at that location. Just to give you a little bit of history here, Mayor Wheeler had instructed that all boards and commissions should be working live and in person and we’re trying to do that, but we didn't get caught up with the move between the council chambers and everything and we have learned that we won't be in the council chambers going forward. We’ll be in the 2500 room in the 1900 building. So, you'll get more instructions on that of where it is and some parking information from Julie when we get close to that. On May 27th, that's the meeting. We have no need to talk over benefit adjustments since that’s been approved. I think the only thing that we have scheduled at this time is the OAH IGA approval that we had talked about, and we'll do a legislative update at that time also. The July 22nd meeting, we have no agenda topics. We tend to cancel the July meeting more often than we have it, but we'll keep it there as a place holder should there be anything urgent that we have to deal with that can’t wait until September. And then our September board meeting will be our State of FPDR presentation. There's likely going to be some rule changes coming out of the legislature from some of their bills. They’ll mostly be on the disability side so Kim and I will talk through should they go through and then set up a plan to introduce them to you.

Stacy Jones: Sam in May at the next board meeting, we’ll talk about cash flow borrowing so I’ll ask the board to either authorize an interfund loan, a tax anticipation note, or possibly both if we haven’t decided between the two for sure by then.

Director Hutchison: That's right, okay. And the city is working through the budget. There's a lot of impacts on the budget that they're turning to. I think there’s around $92 to $100 million they have to come up with. Fortunately, it does not impact us because we have our own funding here. It may indirectly impact us because some of the services that we get from other bureaus could be reduced or stressed by some of the movements and budget cuts that may impact their bureaus, so we'll keep monitoring. The budget will be presented in July so I'm hesitant to do anything in May because with what's happening, things could change quite rapidly as they start looking at the final round of numbers. You have a brand-new council of 12 people, and they’ve never done the budget before so they have 12 different opinions so it is quite, since I'm not part of it, entertaining to see everybody talk back and forth trying to solve the problem of a $100 million deficit for the budget. So good news for us, it doesn't impact us. We don't lose any staff. We don't have to cut back on any services we do, but we may be impacted by the services that we need from the other bureaus.

Stacy Jones: We probably will provide at least a little bit of a budget update, not a formal one, in May since we might not have a board meeting in July, and I know already of a few things that

I know won't change that are more technical things that I'll want to bring the board up to speed on in May.

Director Hutchison: That's everything I have Patrick.

Chair Hughes: Okay. I think we've gone through the whole agenda. So I think we're good to let everybody out a bit early.

Director Hutchison: You don't want a two and a half hour meeting this time?

Chair Hughes: Well, it is what it is.

Stacy Jones: We could talk.

Chair Hughes: No, that's okay. Good to see everybody and have a good weekend coming up and let's hope the weather breaks. All right.

Director Hutchison: Okay. Have a good one.

Chair Hughes: Thank you very much.

Julie Hall: Bye, everyone.

Action Item No. 1

Resolution 559 – Interfund Loan

RESOLUTION NO. 559

WHEREAS, nearly all of the revenues required to fund the benefit and administrative expenses of the Fire and Police Disability and Retirement (FPDR) Fund derive from the FPDR property tax levy; and

WHEREAS, there will be insufficient cash balance in the FPDR Fund and FPDR Reserve Fund to discharge benefit and administrative expenses between August 1, 2025 and November 30, 2025, when the majority of property tax revenues will be received; and

WHEREAS, pursuant to Section 5-102(d) of Chapter 5 of the Charter of the City of Portland, the FPDR may avail itself of other moneys which may be available by law, including loans from the City General Fund; and

WHEREAS, the FPDR Board of Trustees is authorized to borrow funds available by law from another City fund, as arranged by City Treasury and approved by City Council, and the necessary funds are available under terms requiring repayment at an interest rate equal to the rate of return on the City Treasury investment pool plus ten basis points (one-tenth of one percent) on or before January 31, 2026;

NOW, THEREFORE, BE IT RESOLVED that the Fire and Police Disability and Retirement Fund be authorized to borrow up to $50 million, as needed, from another City fund available by law, to be repaid in accordance with the terms described above, to meet the obligations of the FPDR Board of Trustees.

ADOPTED by the Board of Trustees at its regular meeting on May 27, 2025.

Samuel Hutchison, FPDR Director

fund\resolut\559

FIRE AND POLICE DISABILITY AND RETIREMENT
City of Portland, Oregon

Action Item No. 2

Resolution 560 – OAH Contract Extension

RESOLUTION NO. 560

WHEREAS, the Charter requires that the Fire and Police Disability and Retirement Fund (FPDR) retain independent hearings officers to conduct hearings and appellate reviews on its contested claims; and

WHEREAS, the FPDR and the State of Oregon, Office of Administrative Hearings/Employment Department (OAH) have had Intergovernmental Agreements from January 2007 to present, for OAH to conduct hearings and appellate reviews; and

WHEREAS, the Intergovernmental Agreement with OAH will terminate on June 30, 2025; and

WHEREAS, there are no other entities with the expertise of the OAH to conduct the FPDR's hearings; and

WHEREAS, the OAH has agreed to conduct the FPDR's contested hearings and appellate reviews; and

WHEREAS, the FPDR requires the continued services of OAH and wishes to extend their services by extending the agreement for a four-year period ending on June 30, 2029; and

WHEREAS, the not-to-exceed value of the contract is increased by $1,075,000 from $925,000 to $2,000,000; and

WHEREAS, a draft copy of the Intergovernmental Agreement between FPDR and OAH is attached hereto as Exhibit "A" and by this reference made a part hereof; and

WHEREAS, funds for the Amendment are available within the FPDR budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the FPDR, that the FPDR Director be and hereby is authorized to execute and administer an Intergovernmental Agreement substantially in conformance with the agreement which is attached hereto as Exhibit "A" on behalf of FPDR for OAH to conduct hearings and appellate reviews on contested pension and disability claims in an amount not to exceed $2,000,000 for a four-year period beginning July 1, 2025.

BE IT IS FURTHER RESOLVED by the Board of Trustees of the FPDR that the FPDR Director is hereby authorized to pay for the Intergovernmental Agreement from the FPDR budget.

ADOPTED by the Board of Trustees on the 27th day of May, 2025.

____

Samuel Hutchison
FPDR Director

fund\resolut\560

AMENDMENT 003 TO
STATE OF OREGON
INTERGOVERNMENTAL AGREEMENT

This Amendment #003 to Agreement #17-196 is between the State of Oregon acting by and through its **Employment Department, Office of Administrative Hearings** hereinafter referred to as "OAH" or "Agency" and

City of Portland, Bureau of Fire and Police Disability and Retirement
Samuel Hutchison
1800 SW First Avenue, Suite 250
Portland, OR 97201
Telephone: 503-823-5500
Facsimile: 503-823-5166
E-mail address: sam.hutchison@portlandoregon.gov

hereinafter referred to as "FPDR", both individually without distinction as "Party" and collectively as the "Parties".

Purpose

The purpose of the Amendment is to:

- Extend the Contract termination date
- Increase the NTE amount

Amendment #003

1. This amendment shall become effective on the date this amendment has been fully executed by every Party. This Agreement is hereby amended as follows: language to be deleted or replaced is [bracketed]; new language is **underlined and bold.**

a. **Section 2, "EFFECTIVE DATE AND DURATION"** to read as follows: This Agreement shall become effective on the date this Agreement has been fully executed by every party and, when required, approved by Department of Justice or on July 1, 2025, whichever date is later. Unless extended or terminated earlier in accordance with its terms, this Agreement shall expire on [June 30, 2025] **June 30, 2029.** Agreement termination or expiration shall not extinguish or prejudice either party's right to enforce this Agreement with respect to any default by the other party that has not been cured.

b. **Section 4, "CONSIDERATION"** to read as follows: The maximum not-to-exceed amount payable to OAH under the Agreement, which includes any allowable expenses, is [$2,000,000] **$1,075.000.**

2. Signatures.

State of Oregon, acting by and through its Oregon Employment Department
By:

Authorized Signature Date

City of Portland acting by and through its Bureau of Fire and Police Disability and Retirement By:

Authorized Signature Date

Approved for Legal Sufficiency (DOJ):

Assistant Attorney General Date

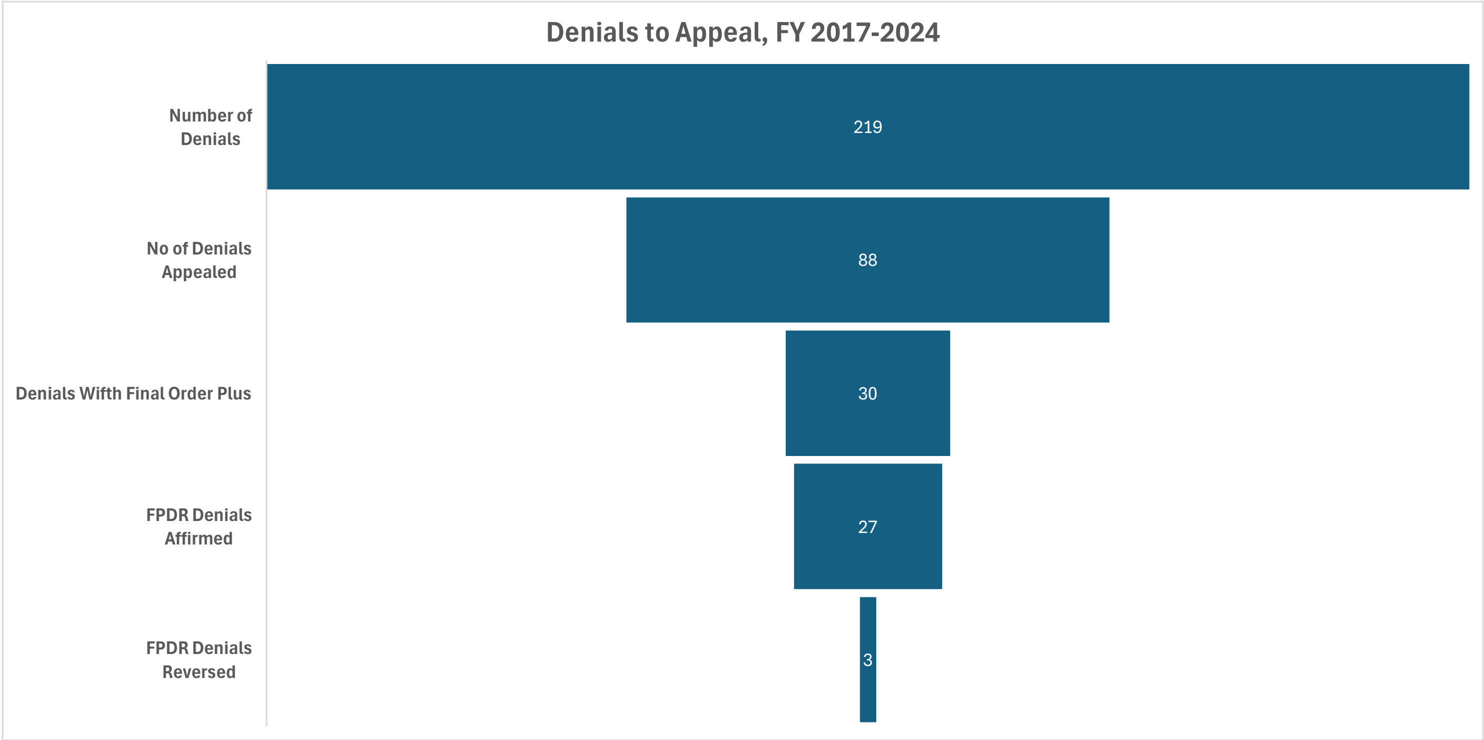
OAH Program Section
By:

Authorized Signature Title Date

FIRE AND POLICE DISABILITY AND RETIREMENT
City of Portland, Oregon

Information Item No. 1

Discussion of OAH Claim Outcomes



Appeals by Bureau								
	2017	2018	2019	2020	2021	2022	2023	2024
Fire	4	3	8	6	5	6	6	5
Police	3	6	9	11	4	4	7	1
Total	7	9	17	17	9	10	13	6

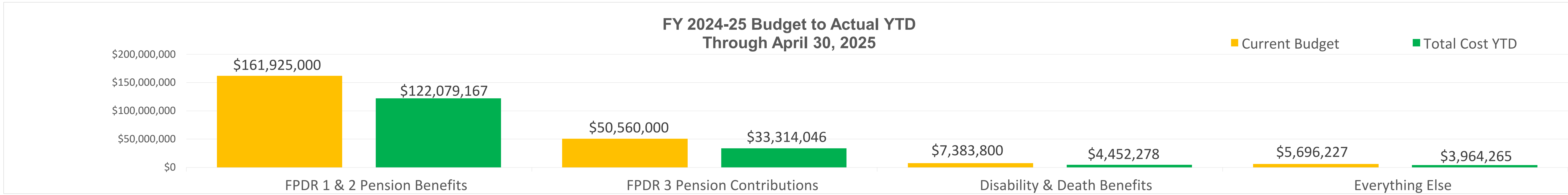
Denials by Bureau								
	2017	2018	2019	2020	2021	2022	2023	2024
Fire	13	15	17	18	9	11	16	8
Police	11	20	9	16	9	10	29	8
Total	24	35	26	34	18	21	45	16

Claims Approved by Fiscal Year								
FY	2017	2018	2019	2020	2021	2022	2023	2024
Fire	127	139	137	143	276	321	168	104
Police	186	162	131	148	227	218	103	110
Total	313	301	268	291	503	539	271	214

FIRE AND POLICE DISABILITY AND RETIREMENT
City of Portland, Oregon

Information Item No. 2

FPDR Summary of Expenditures



FY 2024-25 Budget to Actual YTD by Month

Mid Level Classification	Detail Classification	Original Budget	Current Budget	July	August	September	October	November	December	January	February	March	April	YTD Total
Revenues	Taxes	$221,850,559	$221,850,559	-$891,350	$542,948	$207,624	$374,122	$59,314,049	$144,261,345	$4,704,841	$1,592,049	$7,684,157	$491,198	$218,280,983
	Beginning fund balance	$16,220,577	$16,220,577	$16,704,784	$0	$0	$0	$0	$0	$0	$0	$0	$0	$16,704,784
	Bond and note proceeds	$45,000,000	$45,000,000	$5,000,000	$15,000,000	$0	$15,000,000	$10,000,000	$0	$0	$0	$0	$0	$45,000,000
	Miscellaneous Sources	$2,922,000	$2,922,000	-$18,413	$23,969	$26,035	$31,560	$81,346	$601,985	$484,867	$364,031	$326,151	$283,250	$2,204,783
	Interfund Cash Transfer Revenues	$750,000	$750,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Interagency Revenues	$690,330	$690,330	$656	$1,339	$0	$670	$1,339	$0	$1,339	$670	$0	$670	$6,683
Revenues Total		**$287,433,466**	**$287,433,466**	**$20,795,677**	**$15,568,256**	**$233,658**	**$15,406,352**	**$69,396,734**	**$144,863,330**	**$5,191,047**	**$1,956,750**	**$8,010,309**	**$775,117**	**$282,197,232**
Personnel	Personnel	$3,257,501	$3,257,501	$287,272	$275,391	$255,977	$277,611	$250,400	$260,990	$264,554	$225,056	$237,173	$264,160	$2,598,584
Personnel Total		**$3,257,501**	**$3,257,501**	**$287,272**	**$275,391**	**$255,977**	**$277,611**	**$250,400**	**$260,990**	**$264,554**	**$225,056**	**$237,173**	**$264,160**	**$2,598,584**
External Materials & Services	Other External Materials & Services	$971,903	$971,903	-$62,254	$27,940	$56,301	$61,132	$49,457	$79,987	$183,333	$59,772	$170,398	$41,860	$667,928
	FPDR 1 & 2 Pension Benefits	$161,925,000	$161,925,000	-$17,993	$26,710,044	$6,602	$13,360,204	$26,677,901	$151,756	$27,576,159	$13,797,473	$7,561	$13,809,459	$122,079,167
	Disability & Death Benefits	$7,383,800	$7,383,800	-$255,228	$461,906	$475,191	$641,747	$567,144	$451,682	$481,102	$503,644	$559,163	$565,926	$4,452,278
External Materials & Services Total		**$170,280,703**	**$170,280,703**	**-$335,475**	**$27,199,891**	**$538,094**	**$14,063,084**	**$27,294,502**	**$683,425**	**$28,240,595**	**$14,360,890**	**$737,122**	**$14,417,246**	**$127,199,373**
Internal Materials & Services	Other Internal Materials & Services	$986,123	$986,123	$63,723	$72,038	$78,769	$64,034	$59,263	$44,308	$102,481	$52,088	$63,073	$72,755	$672,533
	FPDR 3 Pension Contributions	$50,560,000	$50,560,000	$0	$0	$0	$0	$0	$11,515,004	$0	$10,156,750	$0	$11,642,292	$33,314,046
	Return to Work/Light Duty	$420,700	$420,700	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Internal Materials & Services Total		**$51,966,823**	**$51,966,823**	**$63,723**	**$72,038**	**$78,769**	**$64,034**	**$59,263**	**$11,559,312**	**$102,481**	**$10,208,838**	**$63,073**	**$11,715,047**	**$33,986,578**
Capital Outlay	Capital Outlay	$60,000	$60,000	$0	$0	$0	$13,780	$0	$3,380	$0	$1,300	$0	$6,760	$25,220
Capital Outlay Total		**$60,000**	**$60,000**	**$0**	**$0**	**$0**	**$13,780**	**$0**	**$3,380**	**$0**	**$1,300**	**$0**	**$6,760**	**$25,220**
Fund Expenses	Contingency	$14,172,482	$15,114,082	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
	Debt Retirement	$46,766,562	$45,824,962	$0	$0	$0	$0	$0	$0	$45,532,807	$0	$0	$0	$45,532,807
	Interfund Cash Transfer Expenses	$929,395	$929,395	$13,910	$13,910	$13,910	$13,910	$13,910	$20,144	$13,910	$13,910	$13,910	$13,910	$145,334
Fund Expenses Total		**$61,868,439**	**$61,868,439**	**$13,910**	**$13,910**	**$13,910**	**$13,910**	**$13,910**	**$20,144**	**$45,546,717**	**$13,910**	**$13,910**	**$13,910**	**$45,678,141**

Information Item No. 3

Legislative Update

There is no handout for this information item

Information Item No. 4

Budget Update

There is no handout for this information item

Information Item No. 5

FPDR Updates

There is no handout for this information item

FIRE AND POLICE DISABILITY AND RETIREMENT
City of Portland, Oregon

Information Item No. 6

Future Meeting Agenda Items

There is no handout for this information item